

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.

UTU-01191-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

UNIT #891008900A *Natural Buttes*

8. Lease Name and Well No.

NBU 1022-5M-4T

9. API Well No.

43-047-38490

10. Field and Pool, or Exploratory

NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

SEC. 5, T10S, R22E

12. County or Parish

UINTAH

13. State

UTAH

1a. Type of Work: ☒ DRILL

☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other

☐ Single Zone ☒ Multiple Zone

2. Name of Operator

KERR McGEE OIL & GAS ONSHORE LP

3A. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface

SWSW 526'FSL, 1079'FWL

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*

22.8 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)

526'

16. No. of Acres in lease

1363.21

17. Spacing Unit dedicated to this well

40.00

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.

REFER TO
TOPO C

19. Proposed Depth

9070'

20. BLM/BIA Bond No. on file

BOND NO: WY-2357

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

5177'UNGRADED GL

22. Approximate date work will start*

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature

Name (Printed/Typed)

SHEILA UPCHEGO

Date

8/10/2006

Title

REGULATORY ANALYST

Name (Printed/Typed)

BRADLEY G. HILL

Date

08-28-06

Title

Office ENVIRONMENTAL MANAGER

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this
Action Is Necessary

RECEIVED

AUG 21 2006

DIV. OF OIL, GAS & MINING

Kerr McGee Oil & Gas Onshore LP

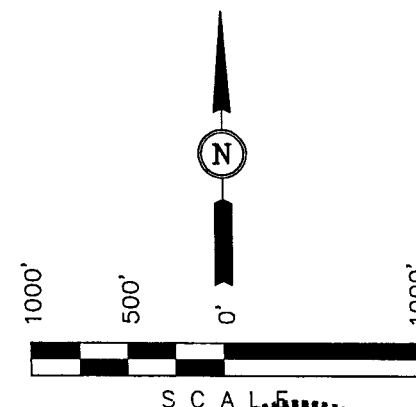
Well location, NBU #1022-5M-4T, located as shown in the SW 1/4 SW 1/4 of Section 5, T10S, R22E, S.L.B.&M. Uintah County, Utah.

Basis of Elevation

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

NOTE:
FOOTAGES FOR PROPOSED WELL
HEAD ARE CALCULATED PARALLEL
TO SECTION LINES

LEGEND:

- = PROPOSED WELL HEAD.
▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°58'19.83" (39.972175)
LONGITUDE = 109°28'09.33" (109.469258)

(NAD 27)
LATITUDE = 39°58'19.95" (39.972208)
LONGITUDE = 109°28'06.87" (109.468575)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'		DATE SURVEYED: 05-09-06	DATE DRAWN: 05-10-06
PARTY J.R. L.M. S.L.		REFERENCES G.L.O. PLAT	
WEATHER HOT		FILE Kerr McGee Oil & Gas Onshore LP	

NBU #1022-5M-4T
SESWSW SEC 5-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01191-A

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1232'
Top of Birds Nest Water	1572'
Mahogany	2202'
Wasatch	4439'
Mesaverde	6982'
MVU2	7919'
MVL1	8483
TD	9070'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1232'
	Top of Birds Nest Water	1572'
	Mahogany	2202'
	Wasatch	4439'
Gas	Mesaverde	6982'
Gas	MVU2	7919'
Gas	MVL1	8483
Gas	N/A	
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. **Proposed Casing & Cementing Program:**

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9070' TD, approximately equals 5623 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3628 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE August 10, 2006
 WELL NAME NBU 1022-5M-4T TD 9,070' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,177' GL KB 5,192'
 SURFACE LOCATION SESWSW SECTION 5, T10S, R22E 526'FSL, 1079'FWL BHL Straight Hole
 Latitude: 39.972175 Longitude: 109.469258
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM, (SURF & MINERALS), UDOGM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,439'					
	Green River @	1,232'			
	Top of Birds Nest Water @	1572'			
	Preset f/ GL @				
	2,200' MD				
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany (2,202'			
Mud logging program TBD					
Open hole logging program f/ TD - surf csg					
	Wasatch @	4,439'			
	Mverde @	6,982'			
	MVU2 @	7,919'			
	MVL1 @	8,483'			
			7-7/8"	4-1/2", 11.6#, 1-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.7 ppg
					Max anticipated Mud required 11.7 ppg
		TD @ 9,070'			



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2200	32.30	H-40	STC	0.64*****	1.33	4.08
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9070	11.60	I-80	LTC	2.21	1.15	2.19

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 11.7 ppg) .22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoym.Fact. of water)
 MASP 3523 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
			NOTE: If well will circulate water to surface, option 2 will be utilized				
SURFACE	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
Option 2	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,930'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	5,140'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1440	60%	14.30	1.31

- *Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained
 *Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

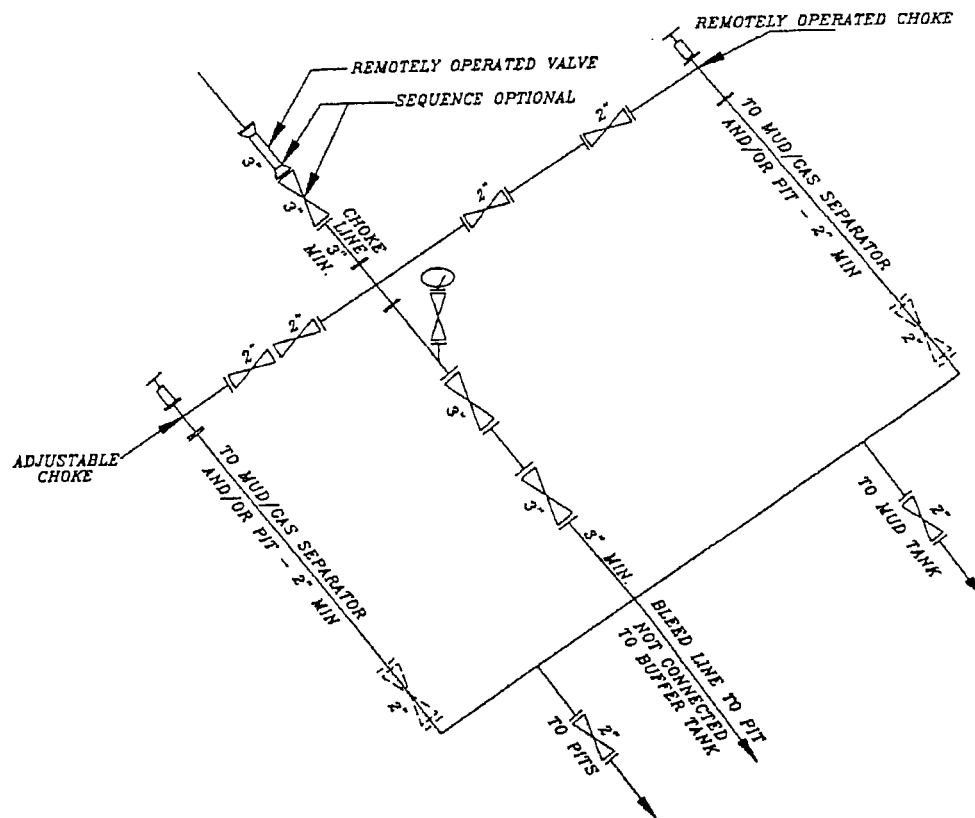
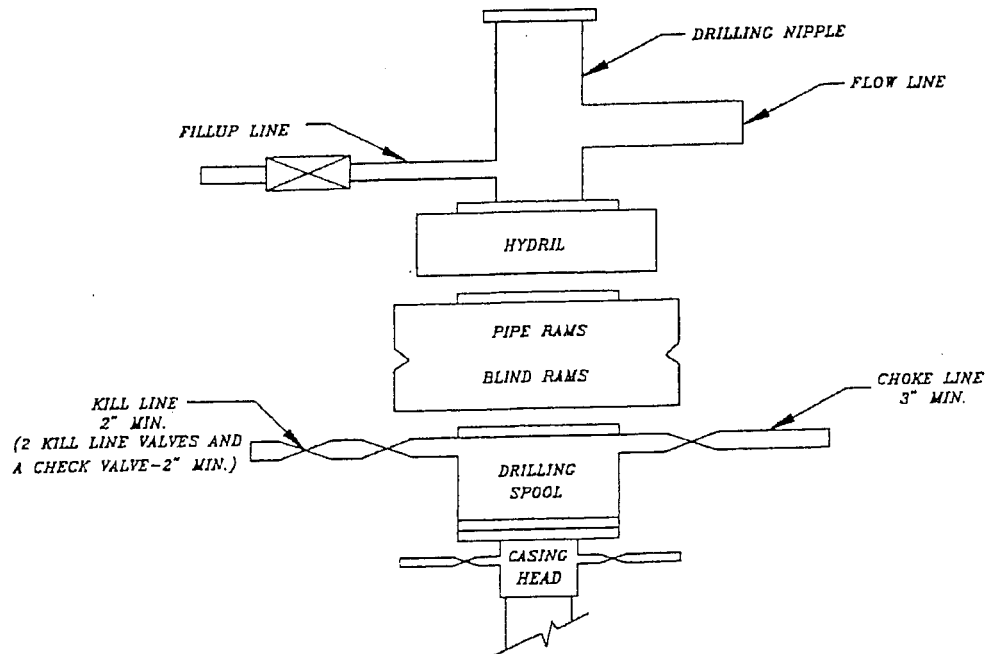
Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.
 BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.
 Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.
 Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____
 Brad Laney
 DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU #1022-5M-4T
SESWSW SEC 5-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01191-A

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. **Planned Access Roads:**

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

Approximately 0.1 +/- miles of access road is proposed. Please refer to the attached Topo Map B.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

Please see the Natural Buttes Unit SOP.

A 30' of rights-of-way will be required approximately 1150' +/- of 4" pipeline to tie-in to an existing pipeline in Sec. 8, T10S, R22E to cross into Lease #UTU-0466 is proposed. Refer to Topo Map D.

Variances to Best Management Practices (BMPs) Requested:

The pipeline shall be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. **Location and Type of Water Supply:**

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

7. **Methods of Handling Waste Materials:**

Please see the Natural Buttes SOP.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A 20 mil reserve pit liner with felt will be used. As discussed at the on-site inspection.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. **Plans for Reclamation of the Surface:**

Please see the Natural Buttes SOP.

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for **drilled** seed are:

Galletta Grass	20 lbs.
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Operator shall call the BLM for the seed mixture when final reclamation occurs.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Other Information:

A Class III archaeological survey has been performed and completed on July 31, 2006; The archaeological report No. 06-363 is attached. The paleontological survey have been performed and will be filed when received by our office.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying with the boundaries of the unit.

13. Lessee's or Operator's Representative & Certification:

Sheila Ucphego
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #WY-2357.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

8/10/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-5M-4T
SECTION 5, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 5.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.8 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-5M-4T
LOCATED IN UTAH COUNTY, UTAH
SECTION 5, T10S, R22E, S.L.B.&M.

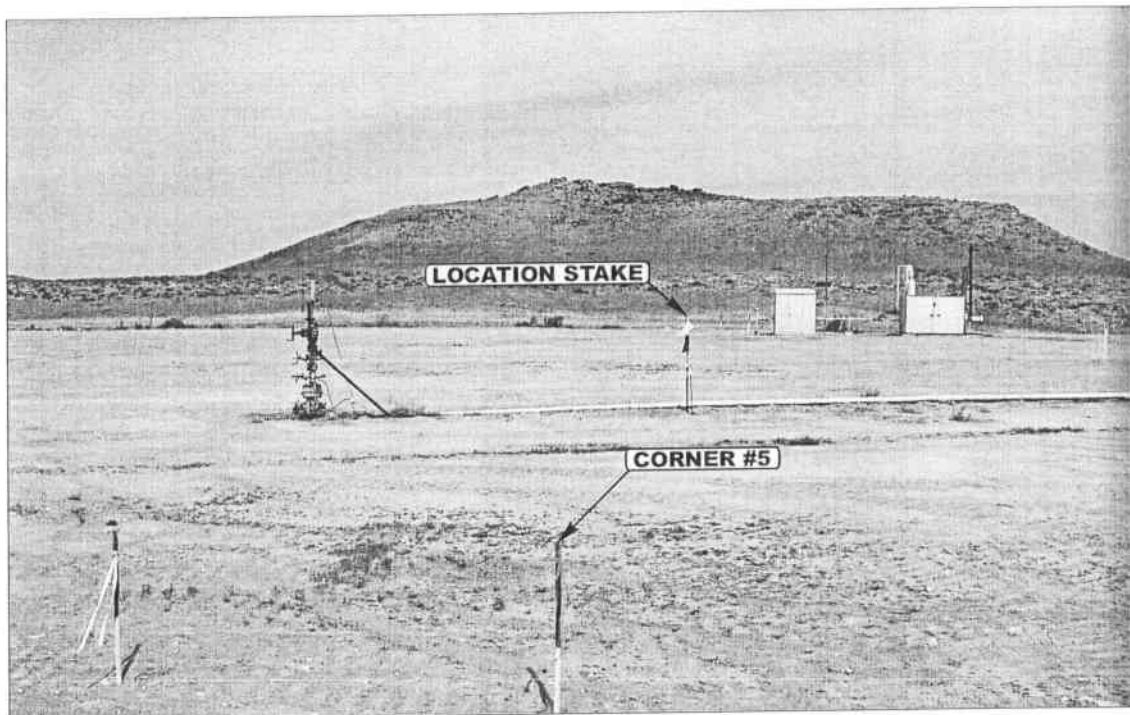


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

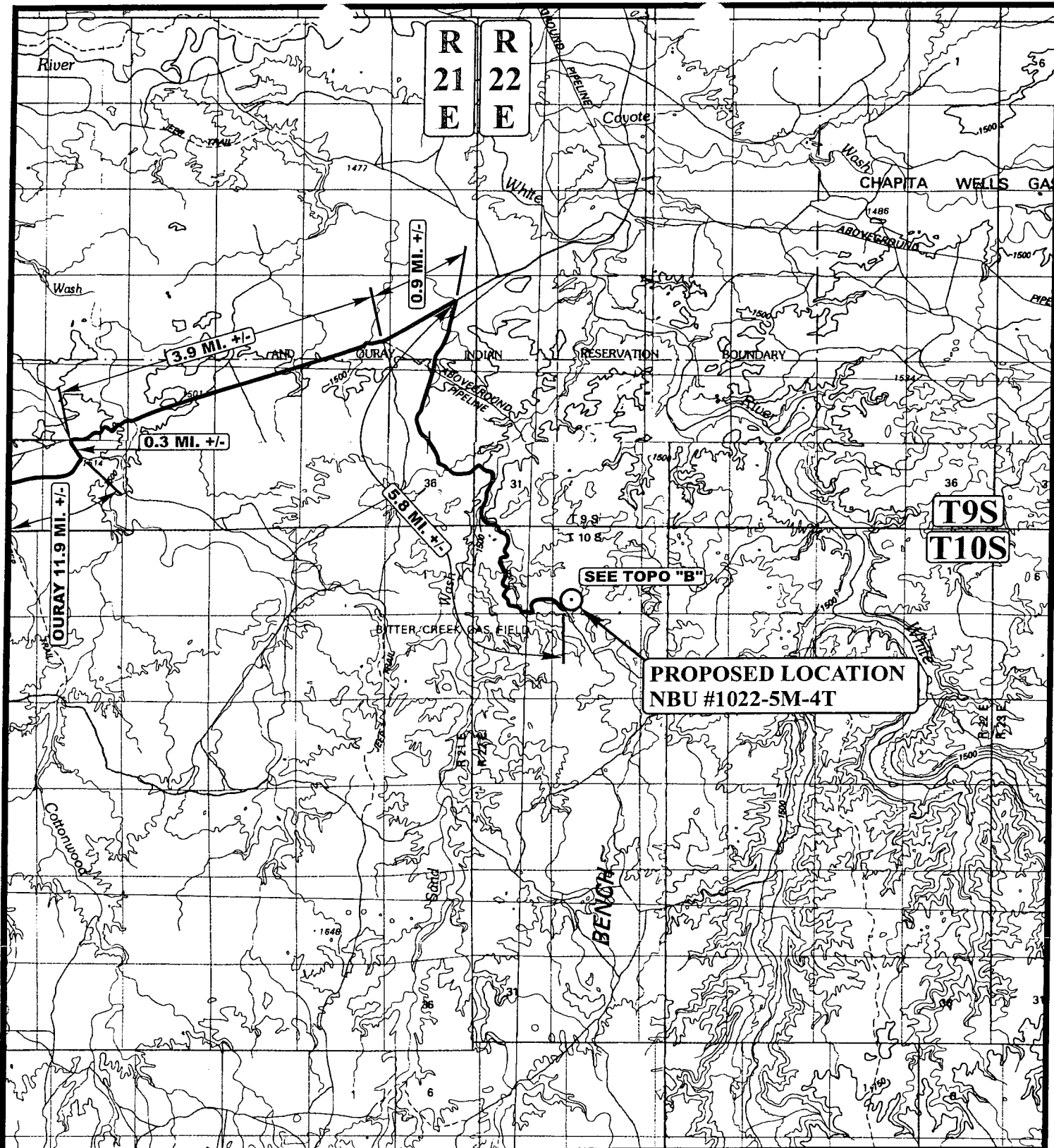
05 10 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: C.H.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-5M-4T

SECTION 5, T10S, R22E, S.L.B.&M.

526' FSL 1079' FWL



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

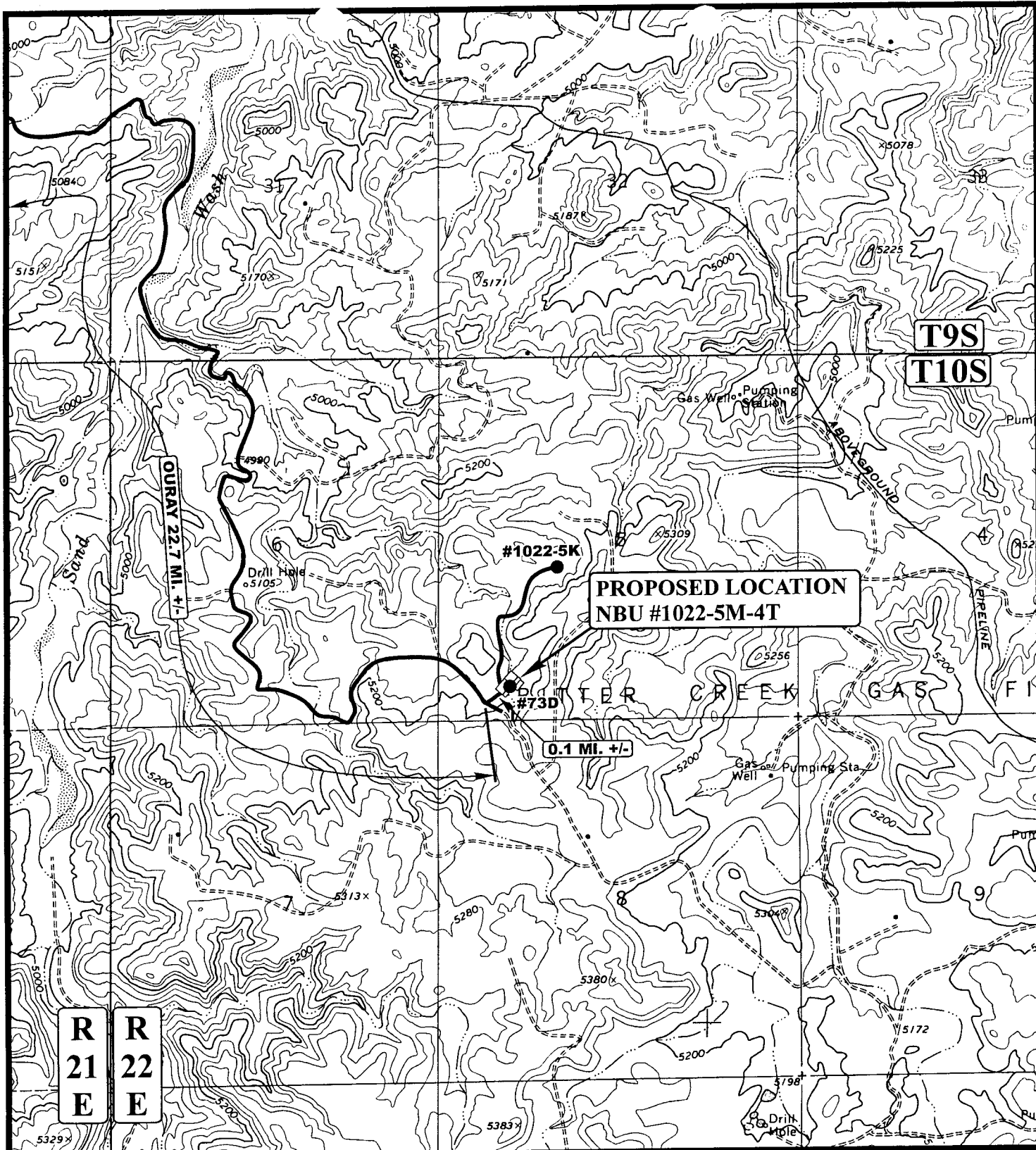


TOPOGRAPHIC
MAP

05 10 06
MONTH DAY YEAR

SCALE: 1:100,000 **DRAWN BY: C.H.** **REVISED: 00-00-00**





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



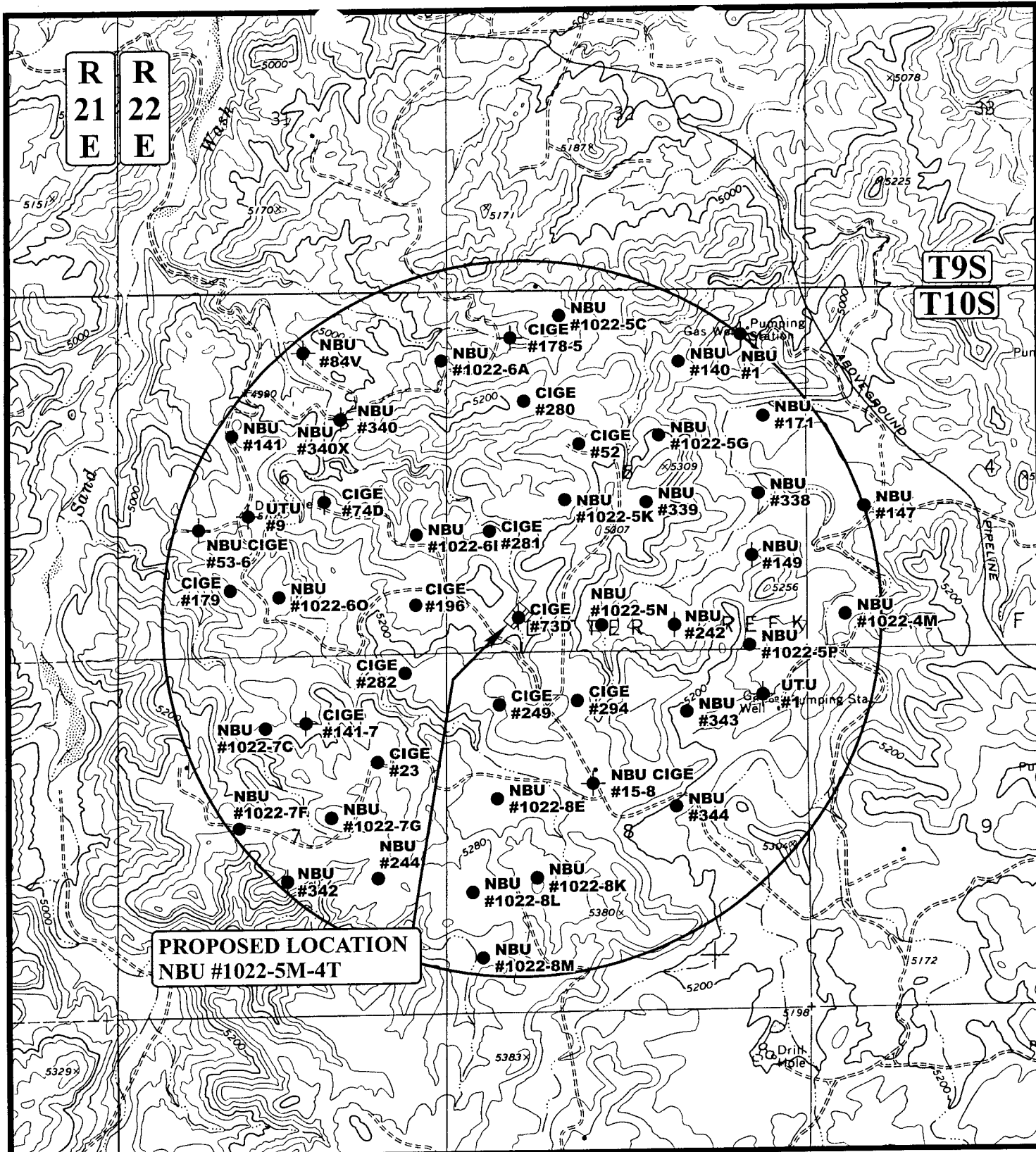
Kerr-McGee Oil & Gas Onshore LP

NBU #1022-5M-4T
SECTION 5, T10S, R22E, S.L.B.&M.
526' FSL 1079' FWL

U&S
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 05 10 06
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00

B
TOPO



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED



Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



Kerr-McGee Oil & Gas Onshore LP

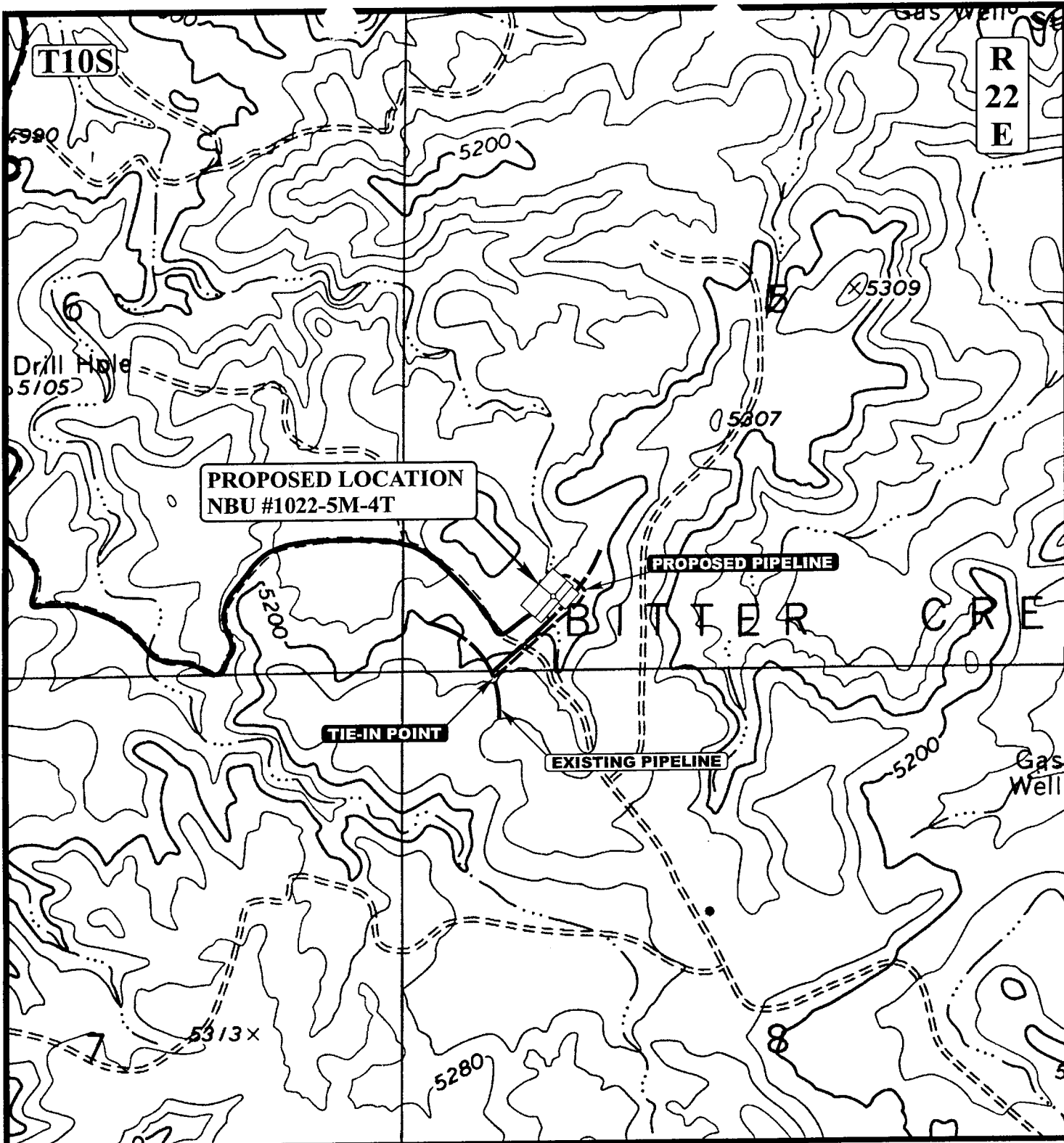
NBU #1022-5M-4T
SECTION 5, T10S, R22E, S.L.B.&M.
526' FSL 1079' FWL

TOPOGRAPHIC
MAP

05 10 06
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.H. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,150' +/-

LEGEND:

————— EXISTING PIPELINE
 - - - - - PROPOSED PIPELINE



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-5M-4T

SECTION 5, T10S, R22E, S.L.B.&M.

526' FSL 1079' FWL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 M A P**

07 05 06
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



LOCATION LAYOUT FOR

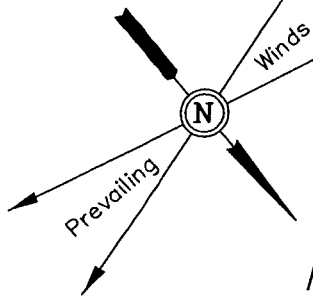
NBU #1022-5M-4T
SECTION 5, T10S, R22E, S.L.B.&M.

C-4.6' 526' FSL 1079' FWL
El. 81.6'

Existing Road

Approx. Toe of Fill Slope

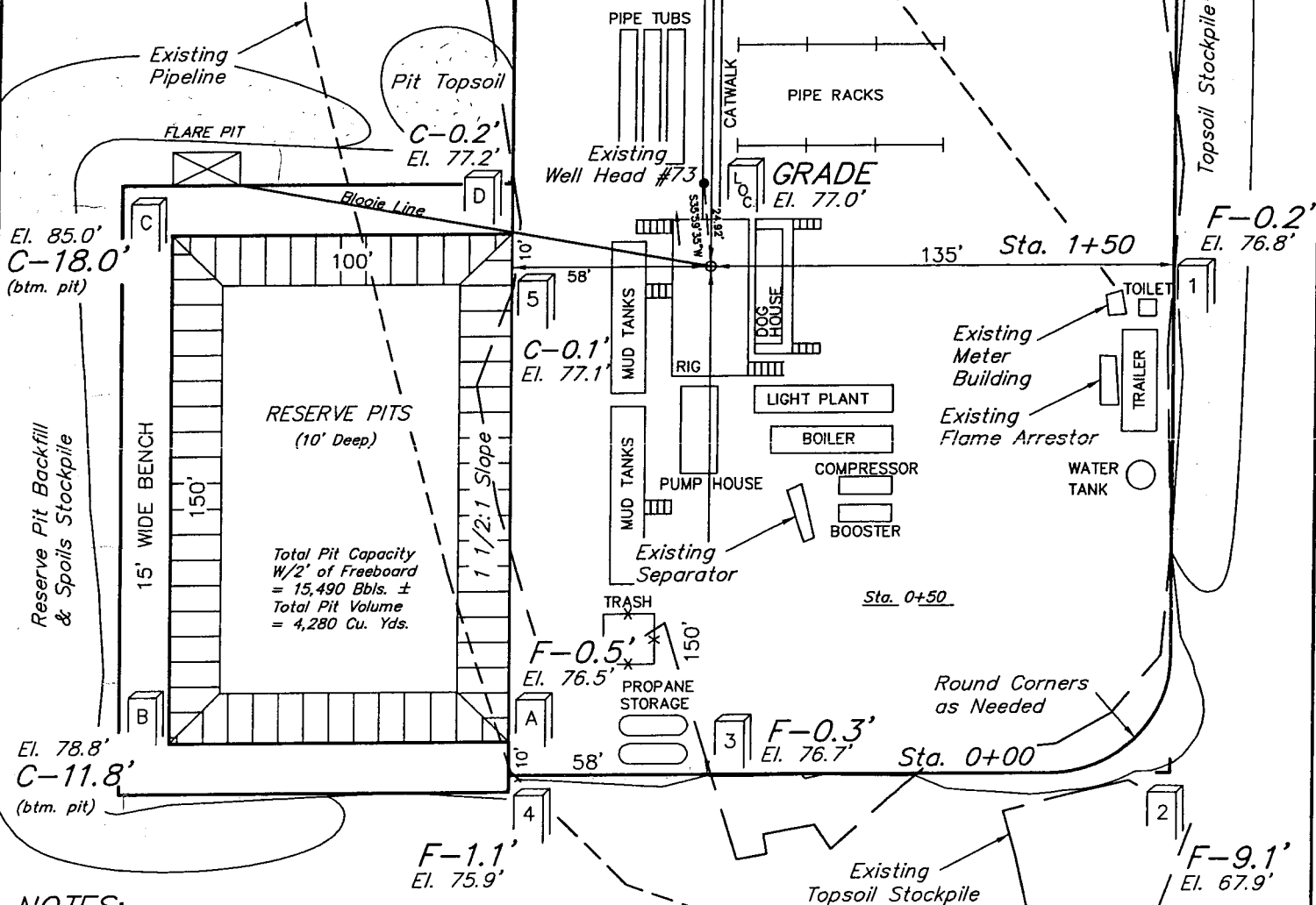
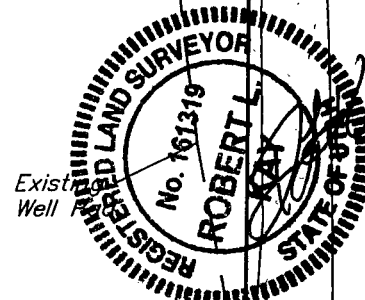
F-2.4' El. 74.6'



SCALE: 1" = 50'
DATE: 05-10-06
Drawn By: S.L.

NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.

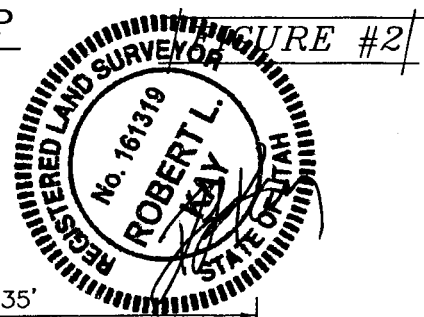


NOTES:

Elev. Ungraded Ground At Loc. Stake = 5177.0'
FINISHED GRADE ELEV. AT LOC. STAKE = 5177.0'

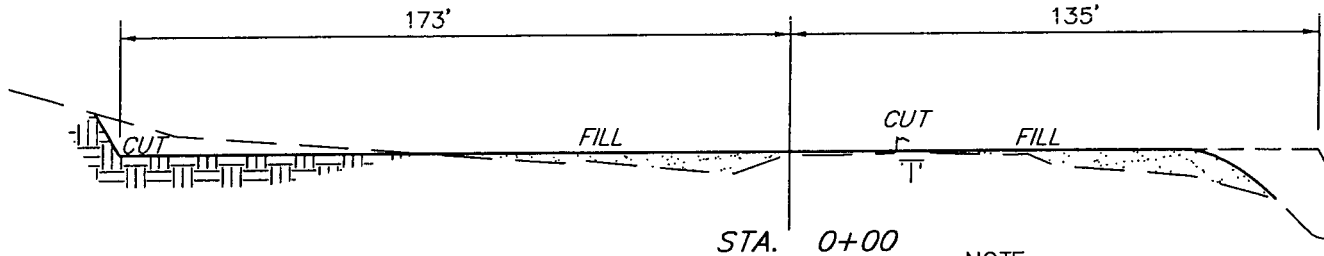
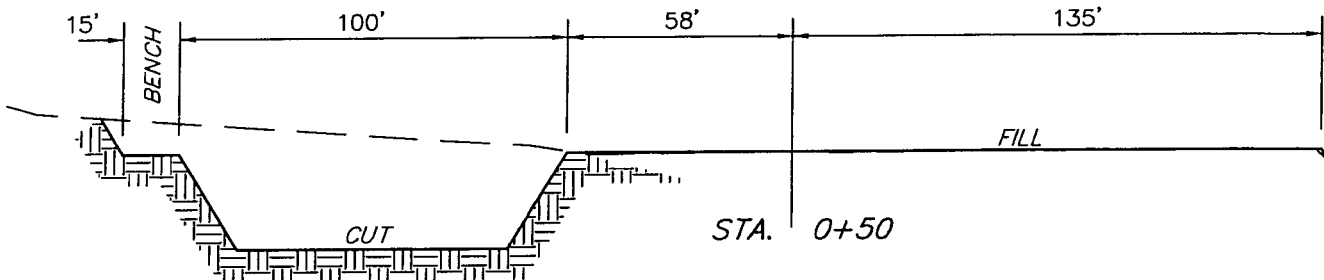
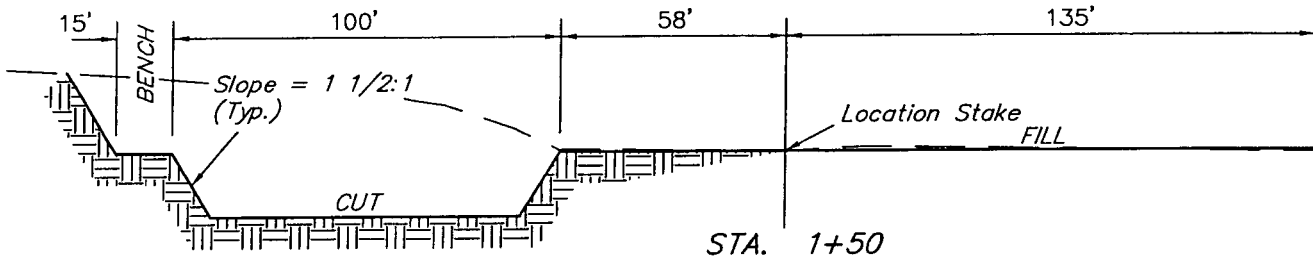
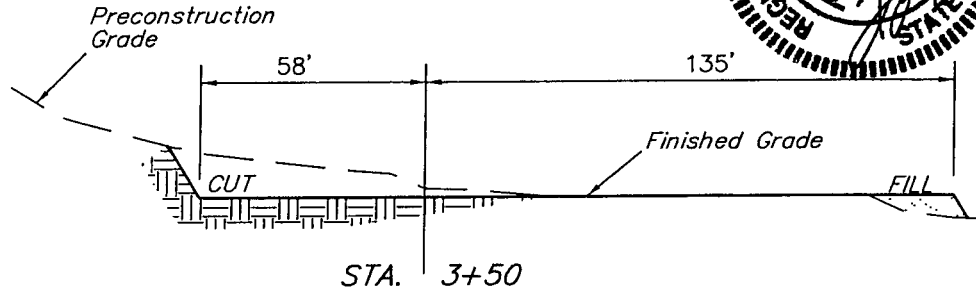
TYPICAL CROSS SECTIONS FOR

NBU #1022-5M-4T
SECTION 5, T10S, R22E, S.L.B.&M.
526' FSL 1079' FWL



1" = 20'
X-Section Scale
1" = 50'

DATE: 05-10-06
Drawn By: S.L.



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 500 Cu. Yds.
Remaining Location = 7,050 Cu. Yds.

TOTAL CUT = 7,550 CU.YDS.
FILL = 760 CU.YDS.

EXCESS MATERIAL = 6,970 Cu. Yds.
Topsoil & Pit Backfill = 2,640 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 4,150 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/21/2006

API NO. ASSIGNED: 43-047-38490

WELL NAME: NBU 1022-5M-4T

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

PROPOSED LOCATION:

SWSW 05 100S 220E

SURFACE: 0526 FSL 1079 FWL

BOTTOM: 0526 FSL 1079 FWL

COUNTY: UINTAH

LATITUDE: 39.97215 LONGITUDE: -109.4685

UTM SURF EASTINGS: 630784 NORTHINGS: 4425579

FIELD NAME: NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-01191-A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat

☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WY-2357)

N Potash (Y/N)

☒ Oil Shale 190-5 (B) or 190-3 or 190-13

☒ Water Permit

(No. 43-8496)

W RDCC Review (Y/N)

(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.

Unit: NATURAL BUTTES

 R649-3-2. General

Siting: 460' From Qtr/Qtr & 920' Between Wells

 R649-3-3. Exception

☒ Drilling Unit

Board Cause No: 173.14

Eff Date: 12-2-1994

Siting: 460' fr uhd'g & uncomm. Tract

 R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

See Separate file

1 - Federal Approval
2 - OIL SHALE

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 28, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Natural Buttes Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-38486	NBU 1022-3C-2	Sec 03 T10S R22E 0094 FNL 1890 FWL
43-047-38488	NBU 1022-3K-4T	Sec 03 T10S R22E 1570 FSL 2044 FWL
43-047-38489	NBU 1022-4O-3	Sec 04 T10S R22E 0025 FSL 2081 FEL
43-047-38490	NBU 1022-5M-4T	Sec 05 T10S R22E 0526 FSL 1079 FWL
43-047-38491	NBU 1022-5H-4	Sec 05 T10S R22E 2563 FNL 0241 FEL
43-047-38487	NBU 1022-6K-3	Sec 06 T10S R22E 1844 FSL 1161 FWL
43-047-38492	NBU 1022-6O-3	Sec 06 T10S R22E 0038 FSL 2083 FEL
43-047-38493	NBU 1022-7J-2T	Sec 07 T10S R22E 2228 FSL 2207 FEL
43-047-38494	NBU 1022-9N-2T	Sec 09 T10S R22E 1086 FSL 1850 FWL
43-047-38485	NBU 922-34L-1	Sec 34 T09S R22E 2524 FSL 1094 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 28, 2006

Kerr McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Natural Buttes Unit 1022-5M-4T Well, 526' FSL, 1079' FWL, SW SW, Sec. 5,
T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38490.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: Kerr McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 1022-5M-4T
API Number: 43-047-38490
Lease: UTU-01191-A

Location: SW SW **Sec.** 5 **T.** 10 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

RECEIVED

AUG 15 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

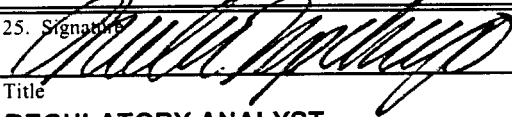
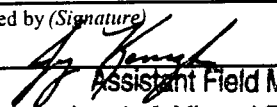
FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01191-A
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UNIT #891008900A
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. NBU 1022-5M-4T
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESWSW 526'FSL, 1079'FWL At proposed prod. Zone		9. API Well No. 43-047-38990
14. Distance in miles and direction from nearest town or post office* 22.8 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 526'	16. No. of Acres in lease 1363.21	11. Sec., T., R., M., or Blk. and Survey or Area SEC. 5, T10S, R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 9070'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5177'UNGRADED GL		13. State UTAH
22. Approximate date work will start*		17. Spacing Unit dedicated to this well 40.00
20. BLM/BIA Bond No. on file BOND NO: WY-2357		23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 8/10/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) JERRY KEWICKA	Date 4-12-2007
Title Assistant Field Manager		
Office VERNAL FIELD OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

RECEIVED

APR 27 2007

DIV. OF OIL, GAS & MINING

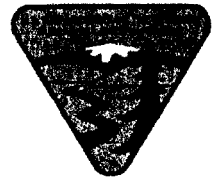
Entered in AFMSS
Date 11/20/06
NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr-McGee Oil & Gas Onshore, LP Location: SWSW, Sec. 5, T10S, R22E
Well No: NBU 1022-5M-4T Lease No: UTU-01191-A
API No: 43-047-38490 Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	

Fax: 435-781-4410

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

- | | |
|--|--|
| Location Construction
(Notify NRS/Enviro Scientist) | - Forty-Eight (48) hours prior to construction of location and access roads. |
| Location Completion
(Notify NRS/Enviro Scientist) | - Prior to moving on the drilling rig. |
| Spud Notice
(Notify Petroleum Engineer) | - Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing
(Notify Supervisory Petroleum Technician) | - Twenty-Four (24) hours prior to running casing and cementing all casing strings. |
| BOP & Related Equipment Tests
(Notify Supervisory Petroleum Technician) | - Twenty-Four (24) hours prior to initiating pressure tests. |
| First Production Notice
(Notify Petroleum Engineer) | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

General Surface COAs

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer AO. A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

Specific Surface COAs

- Paint all facilities Fuller O'Brian color Carlsbad Canyon (2.5Y 6/2). Any paint brand may be used provided the colors match.
- The authorized officer may prohibit surface disturbing activities during wet and muddy periods to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- The seed mix for this location shall be:

Galleta grass	<i>Hilaria jamesii</i>	20 lbs. /acre
<ul style="list-style-type: none">▪ All pounds are in pure live seed.▪ Reseeding may be required if first seeding is not successful.		
- The topsoil from the reserve pit should be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding should take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the resreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A surface casing shoe integrity test shall be performed.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment BOPE shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources such as Gilsonite, tar sands, oil shale, trona, etc. to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth from KB or GL of encounter, vertical footage of the encounter and, the name of the person making the report along with a telephone number shall the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log CBL will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" Oil and Gas Operations Report OGOR starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 303 231-3650 for reporting information.
- Shall the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location $\frac{1}{4}$ Sec., Twn, Rng, and P.M..
 - Date well was placed in a producing status date of first production for which royalty will be paid.
 - The nature of the well's production, i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons.
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees NTL 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events fires, accidents, blowouts, spills, discharges as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" BLM Form 3160-4 shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include

deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples cuttings, fluid, and/or gas shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" Form BLM 3160-5 must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

UTU-01191-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #8910089 00A

8. Well Name and No.

NBU 1022-5M-4T

9. API Well No.

4304738490

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3b. Phone No. (include area code)

(435)781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

526' FSL, 1079' FWL
SWSW, SEC 5-T10S-R22E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other APD EXTENSION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DOGM
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON AUGUST 28, 2006.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 07-18-07

By: [Signature]

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RAMEY HOOPES

Title

LAND SPECIALIST I

Signature

[Signature]

Date

July 5, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

7-2007
RM

RECEIVED
JUL 17 2007

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304738490
Well Name: NBU 1022-5M-4T
Location: SWSW, SEC 5-T10S-R22E
Company Permit Issued to: KERR-MCGEE OIL AND GAS ONSHORE LP
Date Original Permit Issued: 8/28/2006

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐

Ramey Harper
Signature

7/5/2007

Date

Title: LAND SPECIALIST I

Representing: Kerr McGee Oil and Gas Onshore LP

RECEIVED

JUL 17 2007

DEPT. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

UTU-01191-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-5M-4T

9. API Well No.

4304738490

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SW/SW SEC. 5, T10S, R22E 526'FSL, 1079'FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other REQUEST TO
CHANGE MUD WT

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE OPERATOR REQUESTS AUTHORIZATION TO CHANGE THE MUD WEIGHT TO FRESH WATER
MUD WITH 0-8% BIO DIESEL.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

RECEIVED

JUL 31 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Signature

Title

SENIOR LAND ADMIN SPECIALIST

Date

July 24, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738528	NBU 1022-6C-4		NENW	6	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	8/1/2007			<i>8/9/07</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 08/01/2007 AT 0900 HRS							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738490	NBU 1022-5M-4T		SWSW	5	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	8/1/2007			<i>8/9/07</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 08/01/2007 AT 1300 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print) *Sheila Upchego*
Signature *Sheila Upchego*
SENIOR LAND SPECIALIST
Title _____ Date _____

(5/2000) To: *Barlene Russen* From: *Sheila Upchego*
Co./Dept: *Upchego* Co.: *KMS*
Phone: *(801) 538-5330* Phone: *(435) 781-7024*
Fax: *(801) 359-3940* Fax: *(435) 781-7094*

RECEIVED

AUG 06 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SW/SW SEC. 5, T10S, R22E 526'FSL, 1079'FWL

5. Lease Serial No.

UTU-01191-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-5M-4T

9. API Well No.

4304738490

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG.
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU BILL MARTIN AIR RIG ON 08/27/2007. DRILLED 12 1/4" SURFACE HOLE TO 2400'. RAN 9 5/8" 50 JTS OF 32.3# H-40 AND 10 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/365 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE. TOP OUT W/310 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE. GOOD CMT TO SURFACE. HOLE STAYED FULL.

WORT.

RECEIVED
SEP 10 2007

14. I hereby certify that the foregoing is true and correct

DIV. OF OIL, GAS & MINING

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

September 4, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or reenter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR MCGEE OIL AND GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

435-781-7003

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**526'FSL-1079'FWL
SWSW SEC 5-T10S-R22E**

5. Lease Serial No.

UTU 01191-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**UNIT 891008900A
NATURAL BUTTES UNIT**

8. Well Name and No.

NBU 1022-5M-4T

9. API Well No.

4304738490

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other FINAL DRILLING OPERATIONS
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

FINISHED DRILLING FROM 6310 TO 8980 ON 9/27/2005. RAN 4.1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/465 PREM LITE II @ 11.3 PPG 3.38 YLD. TAILED W/1250 SX 50/50 PREM POZ @ 14.3 PPG 1.31 YLD DISPLACEMENT 139, NIPPLE DOWN, SET SLIPS, CLEAN PITS. RELEASE RIG 12 09/27/2007 @ 1200 HRS.

RECEIVED

OCT 24 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

October 2, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SW/SW SEC. 5, T10S, R22E 526'FSL, 1079'FWL

5. Lease Serial No.

UTU-01191-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A

NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-5M-4T

9. API Well No.

4304738490

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	START-UP
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 12/08/2007 AT 10:30 AM

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED

DEC 14 2007

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

December 11, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Anadarko Petroleum Corporation
1368 S. 1200 East
Vernal, UT 84078

CHRONOLOGICAL WELL HISTORY

NBU 1022-5M-4T

SESW, SEC. 5, T10S, R22E
UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
07/20/07	LOCATION STARTED ENSIGN 12	
07/31/07	LOCATION COMPLETED ENSIGN 12	P/L IN, WOBR
08/01/07	SET CONDUCTOR ENSIGN 12	WOAR
08/30/07	9 5/8" @ 2364' ENSIGN 12	WORT
09/18/07	TD: 2400' Csg. 9 5/8" @ 2364' MW: 8.4 SD: 9/18/07 DSS: 0 RURT. NU and test BOPE. PU DS. Change 5K valve & test. Drill cmt and FE @ report time.	
09/19/07	TD: 3580' Csg. 9 5/8" @ 2364' MW: 8.9 SD: 9/18/07 DSS: 1 Drill cmt and FE. Rotary spud @ 0900 hrs on 9/18/07. Drill f/ 2400'-3580'. DA @ report time.	
09/20/07	TD: 4880' Csg. 9 5/8" @ 2364' MW: 9.2 SD: 9/18/07 DSS: 2 Drill f/ 3580'-4880'. DA @ report time.	
09/21/07	TD: 6035' Csg. 9 5/8" @ 2364' MW: 9.8 SD: 9/18/07 DSS: 3 Drill f/ 4880'-6035'. DA @ report time.	
09/24/07	TD: 7340' Csg. 9 5/8" @ 2364' MW: 9.8 SD: 9/18/07 DSS: 3 Drill from 6035'-6853'. TFNB. Drill to 7784'. TFNB @ report time.	
09/25/07	TD: 8520' Csg. 9 5/8" @ 2364' MW: 11.5 SD: 9/18/07 DSS: 7 Finish bit trip. Drill from 7784'-8520'. DA @ report time.	
09/26/07	TD: 8980' Csg. 9 5/8" @ 2364' MW: 11.8 SD: 9/18/07 DSS: 8 Drill f/ 8520'-8980'. CCH and short trip. CCH w/ 20 bbl gain and 35' flare. Inc MW to 11.8. Mix and pump 12.8 ppg slug and LDDP @ report time.	
09/27/07	TD: 8980' Csg. 9 5/8" @ 2364' MW: 11.8 SD: 9/18/07 DSS: 9 LDDS, RU, and run logs to TD. Run and cmt 4.5" prod csg. Prep to set slips @ report time.	
09/28/07		

TD: 8980' Csg. 9 5/8" @ 2364' MW: 11.8 SD: 9/18/07 DSS: 10
ND, set slips, cut csg, and clean pits. Rls rig @ 1200 hrs on 9/27/07. Move rig @ report time.

11/30/07

MIRIG

Days On Completion: 1

Remarks: 7:AM RIG COMPANY SAFETY MEETING. ROAD RIG TO LOC. RU RIG. ND WELLHEAD. NU BOP. PU 3 7/8" MILL RIH PU 23/8", GOT TO 3860'. POOH W/ TBG & MILL. ND BOP, NU FRAC VALVES. RU DOUBLE JACK. PRES TEST TO 7500 PSI. SWI 4:PM FRAC ON MON.

12/03/07

Standy By

Days On Completion: 4

Remarks: STAND-BY -- WAIT ON HALLIBURTON. PREP TO FRAC IN AM

12/04/07

FRAC

Days On Completion: 5

Remarks: 5AM [DAY3] MIRU HLBRTN & CUTTERS. HLD HLBRTN J.S.A. DIDN'T START FRACING TILL 2:30 pm DUE TO HALLIBURTON'S PROBLEM (WE WERE ALSO WAITING FOR THEM ON MONDAY). HALLIBURTON COSTS US 1 1/2 DAY SO FAR ON THIS WELL).

[STG#1] RIH W/ PERF GUN & PERF THE M.V. @ 8564'-8567', 8620'-8624', 8644'-8646' & 8760'-8762' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [44 HHLS] WHP=900# P.T. SURFACE LINES TO 8500#. BRK DN PERFS @ 3142# @ 5 BPM. ISIP=2299, F.G.=.71. PMP'D 3 BBLS 15% HCL AHEAD OF INJ. CALC 22/44 PERFS OPEN. PMP'D 3045 BBLS SLK WTR & 112,600# 30/50 SD W/ 49 GAL SAND WEDGE IN LAST 44,100# SAND. ISIP=2921, F.G.=.78, NPI=622, MP=6875, MR=55, AP=5004, AR=53 BPM.

[STG#2] RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 8496'. PERF THE M.V. @ 8236'-8238', 8312'-8316', 8427'-8430' & 8464'-8466' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [44 HLS] WHP=470#. BRK DN PERFS @ 3633# @ 6 BPM. ISIP=2929, F.G.=.79, CALC 20/44 PERFS OPEN. PMP'D 1895 BBLS SLK WTR & 70,500# 30/50 SD W/ 31 GAL SAND WEDGE IN LAST 28,600# SAND. ISIP=2947, F.G.=.80, NPI=18, MP=6831, MR=53, AP=5114, AR=50 BPM.

6 PM SWI-SDFN. FREEZE PROTECT W.H. PREP TO FRAC STG'S 3,4,5, & 6 IN AM. NEW HALLIBURTON CREW & EQUIPMENT HAD MAJOR PROBLEMS ALL DAY.

12/05/07

FRAC

Days On Completion: 6

Remarks: 7AM [DAY 4] HLD HLBRTN J.S.A. STG#2-- SICP=2000#.

[STG#3] RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 8025'. PERF THE M.V. @ 7831'-7833', 7840'-7842' & 7990'-7995' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [36 HLS] WHP=110#. WHP=110#. BRK DN PERFS @ 4129# @ 4 BPM. ISIP=2230, F.G.=.73. CALC 20/36 PERFS OPEN. PMP'D 913 BBLS SLK WTR & 24,200# 30/50 SD W/ 17 GAL SANDWEDGE IN LAST 8800# SAND. ISIP=2475, F.G.=.76, NPI=245, MP=6075, MR=39, AP=4293, AR=36 BPM. [PROBLEMS W/ HLBRTN EQUIPMENT]

[STG#4] 2 HR FREEZE PROBLEM W/ CUTTERS. RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 7470'. PERF THE M.V. @ 7257'-7260', 4 SPF, 90* PHS, 7341'-7343', 4 SPF, 90* PHS, 7374'-7378', 3 SPF, 120* PHS & 7437'-7440', 4 SPF, 90* PHS USING 3-3/8" EXP GUN, 23 GM, 0.36, [44 HLS] WHP=135#. BRK DN PERFS @ 3753 @ 4 BPM. ISIP=1807, F.G.=.69. CALC 26/44 PERFS OPEN. PMP'D 1223 BBLS SLK WTR & 39,600# 30/50 SAND W/ 17 GAL SANDWEDGE IN LAST 15,500# SAND. ISIP=2245, F.G.=.75, NPI=538, MP=5773, MR=49, AP=4381, AR=39 BPM.

[STG#5] RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 7052'. PERF THE M.V. @ 7013'-7022' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [36 HLS] WHP=150#. BRK DN PERFS @ 5624 @ 3 BPM. ISIP=1630, F.G.=.68. CALC 22/36 PERFS OPEN. PMP'D 1017 BBLS SLK WTR & 33,900# 30/50 SD W/ 18 GAL SANDWEDGE IN LAST 15,300# SAND. ISIP=2280, F.G.=.77, NPI=650, MP=4741, MR=38, AP=3382, AR=34 BPM.

[STG#6] RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 6739'. PERF THE WASATCH @ 6678-6681 & 6707'-6714' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [40 HLS] WHP=390#. BRK DN PERFS @ 5624# @ 3 BPM. ISIP=895, F.G.=.58. CALC 24/40 PERFS OPEN. PMP'D 541 BBLS SLK WTR & 14,900# 30/50 SD W/ 10 GAL SANDWEDGE IN LAST 4500# SAND. ISIP=2225, F.G.=.78, NPI=1330, MP=4744, MR=41, AP=3024, AR=40 BPM. [HALIBURTON EQUIPMENT HAD MAJOR ISSUES TODAY]

[KILL PLUG] RIH W/ BAKER 8K CBP & SET @ 6570'. POOH & L/D WIRELINE TOOLS. RDMO HLBRTN & CUTTERS. TOTAL 30/50 SD=283,000# & TOTAL FLUID=8634 BBLS.

12/06/07

FRAC

Days On Completion: 6

Remarks: 7AM [DAY 5] J.S.A.#5 ND FRAC VALVES, NUBOP. R/U FLOOR & TBG EQUIPMENT. P/U 3-7/8" BIT, POBS W/ BIG R NIPPLE & RIH ON NEW 2-3/8" J-55 TBG. TAG SD @ 6510'. R/U SWVL & RIG PMP. ESTABLISH CIRCULATION W/ 2% KCL WTR. P.T. BOP TO 3000#. [HELD GOOD] C/O 60' SAND.

[DRLG CBP#1] @ 6570'. DRILL OUT BAKER 8K CBP IN 4 MIN. 30# DIFF. RIH, TAG SD @ 6709'. C/O 30' SD. FCP=0#.

[DRLG CBP#2] @ 6739'. DRILL OUT BAKER 8K CBP IN 4 MIN. 50# DIFF. RIH, TAG SD @ 7022'. C/O 30' SD. FCP=50#.

[DRLG CBP#3] @ 7052'. DRILL OUT BAKER 8K CBP IN 5 MIN. 25# DIFF. RIH, TAG SD @ 7430'. C/O 40' SD. FCP=75#.

[DRLG CBP#4] @ 7470'. DRILL OUT BAKER 8K CBP IN 5 MIN. 30# DIFF. RIH, TAG SD @ 7995'. C/O 30' SD. FCP=100#.

[DRLG CBP#5] @ 8025'. DRILL OUT BAKER 8K CBP IN 5 MIN. 100# DIFF. RIH, TAG SD @ 8416'. C/O 80' SD. FCP=300#.

[DRLG CBP#6] @ 8496'. DRILL OUT BAKER 8K CBP IN 5 MIN. 150# DIFF. RIH, TAG SD @ 8723'. C/O 145' SD TO 8868'. ORIG PBTD @ 8935'.B.P. @ 8762'. CIRCULATE WELL CLN. R/D SWVL. POOH & L/D 40 JTS ON FLOAT. LAND TBG ON HNGR W/ 247 JTS NEW 2-3/8" J-55 TBG.EOT @ 7702.41' & POBS W/ BIG R @ 7700.21'. AVG 5 MIN/PLUG & C/O 415' SAND. R/D FLOOR & TBG EQUIPMENT. FCP=600#. NDBOP, NUWH. DROP BALL DOWN TBG & PUMP OFF THE BIT @ 1600#. WAIT 30 MINUTES FOR BIT TO FALL TO BTM. OPEN WELL TO F.B.T. ON 20/64 CHOKE. FTP=500#, SICP=1800#. 8:30 PM TURN WELL OVER TO F.B.C. LTR @ 8:30 PM= 7424 BBLS. RACK EQUIPMENT.

12/07/07 **FLOWBACK REPORT:** CP 1825#, TP 425#, CK 20/64", 50 BWPH, LOAD REC'D 550 BBLS, LLTR 6574 BBLS

12/08/07 **FLOWBACK REPORT:** CP 1900#, TP 1150#, CK 20/64", 33 BWPH, LOAD REC'D 1542 BBLS, LLTR 5582 BBLS
WENT ON SALES: @ 10:30 AM, 1200 MCF, 1075 TBG, 1800 CSG, 20/64 CK, 33 BBWH

12/09/07 **FLOWBACK REPORT:** CP 1900#, TP 1000#, CK 20/64", 25 BWPH, LOAD REC'D 2253 BBLS, LLTR 48471 BBLS
ON SALES: 577 MCF, 0 BC, 782 BW, TP: 1150#, CP: 1900#, 20/64 CHK, 24 HRS, LP: 182#.

12/10/07 **FLOWBACK REPORT:** CP 1825#, TP 950#, CK 20/64", 18 BWPH, LOAD REC'D 2731 BBLS, LLTR 4393 BBLS
ON SALES: 998 MCF, 0 BC, 432 BW, TP: 950#, CP: 1825#, 20/64 CHK, 24 HRS, LP: 184#.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 2000

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. UTU-01191-A							
b. Type of Completion: <input checked="" type="checkbox"/> New <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____		6. If Indian, Allottee, or Tribe Name							
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE LP		7. Unit or CA Agreement Name and No. UNIT #891008900A NBU UNIT							
3. Address 1368 SOUTH 1200 EAST, VERNAL, UTAH 84078		8. Lease Name and Well No. NBU 1022-5M-4T							
3a. Phone No. (include area code) (435) 781-7024		9. API Well No. 4304738490							
4. Location of Well (Report locations clearly and in accordance with Federal requirements)* At surface SW/SW 52 ¹ / ₄ FSL, 1079'FWL At top prod. interval reported below At total depth		10. Field and Pool, or Exploratory NATURAL BUTTES							
14. Date Spudded 08/01/07		15. Date T.D. Reached 09/27/07							
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 12/08/07		17. Elevations (DF, RKB, RT, GL)* 5177'GL							
18. Total Depth: MD 8980' TVD		19. Plug Back T.D.: MD 8935' TVD							
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each)							
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)		CBL-CCL-GR COMP 2, CN, CD, Caliper							
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2400'		775 SX			
7 7/8"	4 1/2"	11.6#		8980'		1715 SX			
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)	
2 3/8"	7702'								
25. Producing Intervals									
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) WASATCH	6678'	6714'	6678'-6714'	0.36	40	OPEN			
B) MESAVERDE	7013'	8762'	7013'-8762'	0.36	204	OPEN			
C)									
D)									
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, Etc.									
Depth Interval	Amount and type of Material								
6678'-6714'	PMP 541 BBLs SLICK H2O & 14,900# 30/50 SD								
7013'-8762'	PMP 8093 BBLs SLICK H2O & 268,100# 30/50 SD								
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/08/07	12/10/07	24	→	0	998	432			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 950# SI	Csg. Press. 1825#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1825#	→	0	998	432			PRODUCING GAS WELL
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/08/07	12/10/07	24	→	0	998	432			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 950# SI	Csg. Press. 1825#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1825#	→	0	998	432			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

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28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4455' 7008'	7008'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 3. DST Report 4. Directional Survey
5. Sundry Notice for plugging and cement verification 5. Core Analysis 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) SHEILA UPCHEER

Title SENIOR LAND ADMIN SPECIALIST

Signature

Date 01/02/08

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: November 30, 20001a. Type of Well ☐ Oil Well ☒ Gas ☐ Dry Other
b. Type of Completion: ☒ New ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

2. Name of Operator

KERR-MCGEE OIL & GAS ONSHORE LP

3. Address

1368 SOUTH 1200 EAST, VERNAL, UTAH 84078

3a. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Report locations clearly and in accordance with Federal requirements) *

At surface

SW/SW 52¹/₄ FSL, 1079'FWL

At top prod. interval reported below

At total depth

14. Date Spudded

08/01/07

15. Date T.D. Reached

09/27/07

16. Date Completed

☐ D & A ☒ Ready to Prod.
12/08/0718. Total Depth: MD 8980'
TVD19. Plug Back T.D.: MD 8935'
TVD20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

CBL-CCL-GR COMP 2, CN, CD, Caliper

22. Was well cored? ☒ No ☐ Yes (Submit copy)Was DST run? ☒ No ☐ Yes (Submit copy)Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2400'		775 SX			
7 7/8"	4 1/2"	11.6#		8980'		1715 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Set (MD)
2 3/8"	7702'							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	6678'	6714'	6678'-6714'	0.36	40	OPEN
B) MESAVERDE	7013'	8762'	7013'-8762'	0.36	204	OPEN
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and type of Material
6678'-6714'	PMP 541 BBLs SLICK H2O & 14,900# 30/50 SD
7013'-8762'	PMP 8093 BBLs SLICK H2O & 268,100# 30/50 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/08/07	12/10/07	24	→	0	998	432			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 950# SI	Csg. Press. 1825#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1825#	→	0	998	432			PRODUCING GAS WELL

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/08/07	12/10/07	24	→	0	998	432			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 950# SI	Csg. Press. 1825#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1825#	→	0	998	432			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

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28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas : Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4455' 7008'	7008'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.) 2. Geologic Report 3. DST Report 4. Directional Survey
5. Sundry Notice for plugging and cement verification 5. Core Analysis 7. Other:

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) SHEILA UPCHEER

Title SENIOR LAND ADMIN SPECIALIST

Signature

Date 01/02/08

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01191-A
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-5M-4T
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0526 FSL 1079 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 05 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047384900000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 1/14/2010	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> APD EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input checked="" type="checkbox"/> OTHER	
OTHER: WORKOVER		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE OPERATOR RECENTLY CONCLUDED WORKOVER OPERATIONS ON THIS WELL ON 1/14/2010. WORKOVER OPERATIONS CONSISTED OF THE INSTALLATION OF A PACKER. PLEASE SEE ATTACHED CHRONOLOGICAL WELL HISTORY FOR WORKOVER OPERATION DEATAILS FOR THIS WELL		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 20, 2010		
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 4/20/2010	

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-5M-4T				Spud Date: 9/18/2007				
Project: UTAH-UINTAH			Site: NBU 1022-5M-4T				Rig Name No: LEED 733/733	
Event: WELL WORK EXPENSE			Start Date: 1/12/2010				End Date: 1/14/2010	
Active Datum: RKB @5,190.99ft (above Mean Sea Leve			UWI: NBU 1022-5M-4T					
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
1/12/2010	6:45 - 7:00	0.25	WO/REP	48		P		JSA- RDSU. ROAD RIG.
	7:00 - 14:00	7.00	WO/REP	30	A	P		RDSU FROM NBU 922-29M3CS . ROAD RIG TO LOCATION. OPEN WELL TO PROD TANKS. RUSU. SPOT EQUIP. PMP 30 BBLS DOWN TBG. ND WH. NU BOP. RU FLOOR AND TBG EQUIP.
	14:00 - 18:30	4.50	WO/REP	31	I			UNLAND 248-JTS 2-3/8" J-55 TBG FROM 7728'. LUB OUT AND LD 4" 10K HANGER. PU 33 JTS TO TAG FILL AT 8756' W/ 281-JTS IN. POOH AS LD 33 JTS AND SB 90 JTS. SDFN. DRAIN EQUIP. 159 JTS IN, EOT AT 4943'.
1/13/2010	6:45 - 7:00	0.25	WO/REP	48		P		JSA-
	7:00 - 18:00	11.00	WO/REP	31	I	P		SITP 1200, SICP 1200. OPEN CSG TO FBT. PMP 15 BBLS TMAC DOWN TBG. CONT POOH W/ PROD TBG. 248-JTS OUT.
NOTE--NO SCALE IN TBG ID. HAD HEAVY SCALE IN AREAS ON TBG OD AT 6470' TO EOT, FOUND HOLE IN TBG AT 7070', REPLACED 41-JTS.								
MU NOTCHED 1.87" XN NIPPLE AS BROACHING TBG W/ 1.92" BROACH. RAN 59-JTS, 4-1/2" MODEL R-3 PKR, 149-JTS 2-3/8" J-55 TBG IN. LOST AIR ON RIG. INVESTIGATE FOR FROZEN LINES. POSSABLY LOST AIR COMPRESSOR. SDFN W/ PKR AT 4633', EOT AT 6469'.								
1/14/2010	6:45 - 7:00	0.25	WO/REP	48		P		JSA- SETTING PKR.
	7:00 - 9:00	2.00	WO/REP	46	E			THAW OUT AIRLINES ON RIG. N/C
	9:00 - 13:30	4.50	WO/REP	31	I	P		SITP 650, SICP 1150. OPEN CSG TO FBT. BLEED OFF TBG. PMP 15 BBLS DOWN TBG. CONT RIH AS PU 40-JTS TBG. PU 4" 10K HANGER. PMP 30 BBLS DOWN CSG. SET 4-1/2" R-3 PKR. LAND HANGER W/ 189-JTS 2-3/8" J-55 TBG, 4-1/2" R-3 PKR (ELEM) SET AT 5925.11, 59-JTS 2-3/8" J-55 TBG, NOTCHED 1.87" XN NIPPLE W/ EOT AT 7760.27. PMP 10 BBLS DOWN TBG. RD FLOOR. ND BOP. NU WH. RACK OUT EQUIP. RDSU AND MO. LEFT WELL SHUT IN. TURN OVER TO PRODUCTION.
TBG DETAIL KB 14.00 4" 10K HANGER .83 15K COMPRESSION -2.30 189-JTS 2-3/8" J-55 5910.37 4-1/2" WFORD R-3 PKR 7.12 59-JTS 2-3/8" J-55 1829.20 PKR AT 5925.11 EOT AT 7760.27								
TOT PMP 270 BBLS, TOT RCVR 425 BBLS								

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01191-A
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-5M-4T
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0526 FSL 1079 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSW Section: 05 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047384900000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/26/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: CEMENT SQUEEZE

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 THE OPERATOR REQUESTS AUTHORIZATION TO WORKOVER THE SUBJECT WELL. PROPOSED ACTIVITIES INCLUDE PERMANENT CEMENT SQUEEZE OF PERFORATIONS. PLEASE SEE ATTACHED PERFORATION SQUEEZE PROCEDURE.

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: August 26, 2010
By: 

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 8/25/2010



NBU 1022-5M-4T

**REMOVE PACKER
&
CEMENT SQUEEZE**

**GREATER NATURAL BUTTES
SECTION 05 T10S R22E
43-047-38519
UINTAH, UT
WI: 100.00%
NRI: 81.20%**

PREPARED BY: TRAVIS HANSELL

RECEIVED August 25, 2010



CONTACT INFORMATION

FOREMAN	DALE JENKINS	435 828 4043
LEAD MECHANICAL	RANDY BROTHERSON	435 828 8205
OPTIMIZER	TREVOR HOOPES	435 828 8916
OPERATOR	GERALD NEBEKER	435 828 1087
RELIEF OPERATOR	COLTON COX	435 828 6505
ENGINEER	TRAVIS HANSELL	435 790 6903



DEPTHS & TUBULARS

ELEVATIONS: 5177 GL

5191 KB

TOTAL DEPTH: 8980

PBTD: 8935

SURFACE CASING:

9 5/8", 36# J-55 ST&C @ 2364'

PRODUCTION CASING:

4 1/2", 11.6#, I-80 LT&C @ 8980'

Marker Joint **4509-4526'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227



HISTORY

- Last consistent monthly production was 250MCFD.
- Recompleted in Wasatch 11/2008.
- Swabbed well for ~30 days attempting to recover frac water.
- Drilled up FTBP 2/2009.
- Recovered total flowback water (7422 BBL) 2/21/2009.
- No consistent production since recompletion.
- Installed packer 01/14/2010
- Recent production has been 180MCFD. Increased EUR from 126MM to 880MM



PERFORATIONS

MD Top (ft)	MD Base (ft)	Shot Density (shot/ft)
5,224.0	5,228.0	4.00
5,342.0	5,348.0	4.00
5,590.0	5,600.0	4.00
5,846.0	5,850.0	4.00
5,894.0	5,900.0	4.00

PACKER SET AT 5925'

6,678.0	6,681.0	4.00
6,678.0	6,681.0	4.00
6,707.0	6,714.0	4.00
6,707.0	6,714.0	4.00
7,013.0	7,022.0	4.00
7,257.0	7,260.0	4.00
7,341.0	7,343.0	4.00
7,374.0	7,378.0	3.00
7,437.0	7,440.0	4.00

EOT SET AT 7760'

7,831.0	7,833.0	4.00
7,840.0	7,842.0	4.00
7,990.0	7,995.0	4.00
8,236.0	8,238.0	4.00
8,312.0	8,316.0	4.00
8,427.0	8,430.0	4.00
8,464.0	8,466.0	4.00
8,564.0	8,567.0	4.00
8,620.0	8,624.0	4.00
8,644.0	8,646.0	4.00

TAG FILL AT 8756'

8,760.0	8,762.0	4.00
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PBTD OLD POBS AT 8810'



PROCEDURE

Notes

- In case packer is stuck, have free-point and fishing services available to the operation.

Procedure Outline

- MIRU. N/D WH and N/U BOP.
- Release 4.5" Model R-3 Packer **@ 5925'**.
- POOH, inspect & scan tubing. Scan Tech is preferred.
- Set cast iron bridge plug at **+/-5920'**
- RIH w/ 2-3/8" J-55 tubing to **5900'**
- Establish injection rate. Contact Travis Hansell and Brad Laney with results. Percent excess cement will depend on pressure and injection rate test.
- Volume in **676'** of 11.6#, 4.5" casing is 10.5 bbl, 59.0 cuft, or **51sx (1.15 cuft / sack)**
- RU cementers and pump recommended Class G cement volume across perforations:
5224-5228
5342-5348
5590-5600
5846-5850
5894-5900
- POOH to at least 1 joint above estimated top of cement, reverse circulate tubing clean
- Shut in tubing & squeeze down casing, TOOH
- RIH w/ 3-7/8" drill bit, drill out cement to CIBP **@ 5920'**, pressure test to **1500psi**
- Repeat squeeze if pressure test fails
- Clean out to **PBTD 8810' (bottom perf is @ 8762')**, TOOH
- RIH w/ 2-3/8" J-55 tubing & seat nipple. **Land tubing @ 7764'**.
- N/D BOP, N/U WH, RDMO.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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COUNTY: UTAH		STATE: UTAH

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<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/8/2010			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 The Operator has concluded workover operations on the subject well location on 11/8/2010. Workover operations consisted of perforation squeeze work (5224'-5900'). EOT is at 7772'. Please see attached chronological well history.

Accepted by the

Utah Division of

Oil, Gas and Mining

FOR RECORD ONLY

November 10, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 11/10/2010

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-5M-4T

Spud Date: 9/18/2007

Project: UTAH-UINTAH

Site: NBU 1022-5M-4T

Rig Name No: GWS 1/1

Event: WELL WORK EXPENSE

Start Date: 10/19/2010

End Date: 11/8/2010

Active Datum: RKB @5,190.99ft (above Mean Sea Leve

UWI: NBU 1022-5M-4T

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
10/21/2010	12:00 - 17:00	5.00	MAINT	30	A	P		MIRU, TBG & CSG PRESS 70 PSI BLEED WELL DOWN & KILL W/ 20 BBLS DOWN TBG, ND WH, NU BOPS & TEST TO 3,000 PSI, RU FLOOR & TBG EQUIP, UNLAND TBG & TRY TO RELEASE R3 PKR STUCK PUMPED 20 BBLS DOWN TBG WHILE WORKING UP & DOWN PULLED 15K OVER LET SET OVERNIGHT, SWI, SDFN.
10/22/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, WORKING PIPE WATCH FOR FALLING OBJECTS OUT OF DERRICK.
	7:15 - 17:00	9.75	MAINT	31	B	P		TBG PRESS 350 PSI, CSG PRESS 800 PSI, BLEED CSG DOWN & KILL W/ 5 BBLS, WORK PIPE W/ PRESS STILL ON TBG, BLEED TBG PRESS OFF WHILE WORKING PIPE, R3 PKR CAME FREE, MIRU SCAN TECH POOH SCANNING TBG SCANNED 248 JTS 159 GOOD 89 BAD COLLARS TUBES & NO DRIFT RDMO SCAN TECH, MIRU CUTTERS RIH W/ 10K CBP SET @ 5,920' POOH PU CMT RETRAINER RIH SET @ 5,486' POOH RDMO CUTTERS, SWI, SDFWE.
10/25/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SQUEEZING CEMENTING & PRESSURE.
	7:15 - 16:00	8.75	MAINT	51	A	P		CSG PRESS 0 PSI, RIH W/ TBG & CMT STINGER TO SQUEEZE CMT FROM, CMT RETAINER @ 5,486' TO 10K CBP @ 5,920', PERFORATION COVERAGE 5,590'-5,600' / 5,846'- 5,850' / 5,894'-5,900', INJECTION RATE 3.5 BPM @ 700 PSI PUMPED 50 SKS W/ 2% CALCIUM CHLORIDE FOLLOWED W/ 50 SKS NEAT CMT START DISPLACEMENT FEATHERING IN LAST 7 BBLS WELL ON VACUMN, 2ND SQUEEZE INJ RATE 1.5 BPM @ 950 PSI PRESS STABILIZED @ 500 PSI, MIX & PUMP 50 SKS NEAT CMT FEATHER IN LAST 5 BBLS 500 PSI, UNSTING FROM CMT RETAINER REVERSE CIRC W/ PARTIAL RETURNS L/D 4 JTS EOT @ 5,371', MIX & PUMP 50 SK BALANCE PLUG TO COVER PERFORATIONS 5,224'-28', 5,342'-48', PARTIAL RETURNS THRU OUT JOB DISPLACECMT W/ 16.9 BBLS TMAC, L/D 30 JTS TO 4,426', SHUT RAMS START SQUEEZING CMT PUMPING DOWN TBG PUMPED 3 BBLS PRESS UP TO 1,800 PSI, TOC @ 4,984', REVERSE CIRC W/ 35 BBLS, RDMO PRO PETRO, WAIT ON CMT, SWI SDFN.
10/26/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, LAYERED CLOTHING FOR COLD WEATHER
	7:15 - 11:00	3.75	MAINT	31	I	P		POOH, PU BIT TIH TAG CMT @ 5,040', RU POWER SWIVEL START DRLG CMT FROM 5,040'. C/O MASTER VALVE ON WH.
	11:00 - 16:00	5.00	MAINT	44	A	P		DRLG CMT FROM 5,040' TO 5,376', CIRC HOLE CLEAN, PRESS TEST TO 1,500 PSI BLED OFF TO 0 PSI IN 2 MINUTES, CHECKED ALL SURFACE EQUIP NO LEAKS ON SURFACE, PRESSURED UP TO 1,500 PSI AGAIN INJECTING 1 BPM INTO FORMATION WILL RESQUEEZE IN AM, SWI, SDFN.
10/27/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SQUEEZING CMT & PRESSURE.

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-5M-4T

Spud Date: 9/18/2007

Project: UTAH-UINTAH

Site: NBU 1022-5M-4T

Rig Name No: GWS 1/1

Event: WELL WORK EXPENSE

Start Date: 10/19/2010

End Date: 11/8/2010

Active Datum: RKB @5,190.99ft (above Mean Sea Leve

UWI: NBU 1022-5M-4T

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 15:00	7.75	MAINT	51	A	P		CSG PRESS 0 PSI WELL ON VACUMN, TRY TO ESTABLISH INJECTION RATE & PRESS NO LUCK, CIRC TMAC ACROSS PERFS @ 5,224'-28', 5,342'-48', PRESS UP TO 2,000 PSI AFTER 5 MINUTES PRESS FELL TO 500 PSI W/ 1/4 BBL TO PRESS BACK UP TO 2,000 PSI AFTER 5 MINUTES PRESS FELL TO 490 PSI KEPT PRESS UP 1,500 TO 2,000 PSI FOR 1 HOUR ENGINEERS REQUEST TO BREAK DOWN, FINAL GOT INJECT RATE OF .2 BPM PRESS 2,500 PSI, POOH TO 5,064', 160' ABOVE TOP PERF @ 5,224', MIX 20 SKS NEAT CLASS G CMT, PUMP 5 BBLs FRESH, 20SKS CMT 4.1 BBLs HOLDING 600 PSI BACK PRESS TILL CMT @ EOT THEN SHUT BACK SIDE IN, DISPLACE W/ 20.5 BBLs PRESS UP TO 3,000 PSI, POOH 3 STDS 189', REVERSE CIRC NO CMT JUST A LITTLE GRAY WATER, DISPLACE W/ 3/4 BBL PRESS UP TO 2,600 PSI MAY HAVE GOT 1/2 -3/4 BBL TO BTM PERFS, SWI W/ 2,600 PSI, WAIT ON CMT TILL MOURNING & DRILL OUT, SDFN.
10/28/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, ICE PLUG AS WEATHER GOES BELOW FREEZING.
	7:15 - 14:00	6.75	MAINT	44	A	P		CSG PRESS 2,500 PSI HELD ON CMT OVERNIGHT, TIH TAG CMT @ 5,050', DRLG CMT FROM 5,050' TO 5,100' CMT SOFT, DRLG CMT FROM 5,100' TO 5,355' CMT MED-HARD, PRESS TEST SQUEEZE TO 1,625 PSI FOR 10 MINUTES HELD OKAY, START DRLG CMT RETAINER BIT FAILED PREP TO POOH FOR NEW BIT.
	14:00 - 16:30	2.50	MAINT	31	I	P		POOH FOR NEW BIT, TIH, SWI, SDFN.
10/29/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, LOOSE CLOTHING AROUND MOVING EQUIPMENT.
	7:15 - 17:00	9.75	MAINT	44	B	P		CSG PRESS 0 PSI, DRLG CMT RETAINER @ 5,486' & CMT FROM 5,488' TO 5,710' CIRC HOLE CLEAN, DRAIN EQUIP, SWI, RESUME DRLG CMT ON MONDAY, SDFWE.
11/1/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, INSPECTING DRLG EQUIP.
	7:15 - 14:30	7.25	MAINT	44	A	P		CSG PRESS 0 PSI, PRESS TEST TO 1,600 PSI FELL TO 1,500 PSI IN 2 MINUTES, DRLG CMT FROM 5,710' TO 5,903' CLEAN OUT TO CBP 5,920', DISPLACE HOLE W/ TMAC, PRESS TEST TO 1,800 PSI, 1 MINUTE DOWN TO 900 PSI, 2 MINUTES 500 PSI, 3 MINUTES 250 PSI, 4 MINUTES 100 PSI, CALLED ENGINEER FOR ORDERS NEED TO RESQUEEZE BTM 3 ZONES.
	14:30 - 16:00	1.50	MAINT	51	A	P		MIRU PRO PETRO RESQUEEZE 3 BTM ZONES FROM 5,590' TO 5,900' INJECTION RATE 1/2 BPM @ 1,800 PSI RESQUEEZE W/ 30 SKS NEAT CLASS G CMT, PUMPED 2.6 BBLs FRESH WTR, 30SKS 6.1 BBLs CMT, DISPLACED W/ 1 BBL FRESH WTR & 19.5 BBLs TAMC, POOH 7 STDS, REVERSE CIRC 30 BBLs, SQUEEZE CMT PUMPED 3/4 BBL PRESS UP TO 2,000 PSI, WAIT 5 MINUTES LOST 70 PSI PUMPED BACK UP TO 2,000 PSI, SWI, SDFN.
11/2/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, DRLG W/ N2 UNIT, NOISE WHEN BLEEDING OFF.
	7:15 - 8:30	1.25	MAINT	44	A	P		CSG PRESS 300 PSI LOST 1,700 PSI OVER NIGHT, PRESS TEST UPPER PERFS TO 1,600 PSI FOR 10 MINUTES HELD OKAY, RU POWER SWIVEL TAG CMT @ 5,545' DRLG CMT FROM 5,545' TO 5,615' BIT NOT DRLG VERY WELL POOH FOR NEW BIT.

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-5M-4T

Spud Date: 9/18/2007

Project: UTAH-UINTAH

Site: NBU 1022-5M-4T

Rig Name No: GWS 1/1

Event: WELL WORK EXPENSE

Start Date: 10/19/2010

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Active Datum: RKB @5,190.99ft (above Mean Sea Leve

UWI: NBU 1022-5M-4T

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	8:30 - 12:00	3.50	MAINT	31	I	P		POOH FOR NEW BIT.
	12:00 - 17:00	5.00	MAINT	44	A	P		DRLG CMT FROM 5,615' TO 5,910', CIRC HOLE CLEAN, PRESS TEST FAILED STARTED @ 1,500 PSI, AFTER 1 MINUTE 550 PSI, 2 MIN 200 PSI, 3 MIN 100 PSI, 4 MIN ON VACUMN, CALLED ENGINEER FOR ORDERS, SWI, SDFN.
11/3/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SLIPS, TRIPS & FALLS.
	7:15 - 15:00	7.75	MAINT	51	A	P		CSG PRESS ON VACUMN, MIRU HALIBURTON TO RESQUEEZE 3 BTM ZONES, INJECTION RATE .8 BPM @ 1,350 PSI, PUMPED 5 BBLs FRESH, 45 SKS CMT HALCEM (TM) W/ 0.2% HR-601/ 50 # BAG, DISPLACE W/ 1 BBL FRESH & 18.5 BBLs TMAC, POOH 11 STDS EOT @ 5,200' REVERSE CIRC 30 BBLs, START SQUEEZING CMT @ .2-3 BPM @ 1.1 BBLs PUMPED AWAY PRESS UP TO 3,000 PSI WAIT 15 MIN PRESS DROPPED FROM 2,990 PSI TO 2,816 PSI, PUMPED UP TO 3,090 PSI WAITED 20 MIN DROPPED TO 2,975 PSI, TOTAL PUMPED IN SQUEEZE 1.2 BBLs, SWI W/ 2,900 PSI, RDMO HALIBURTON, WAIT ON CMT, SDFN.
11/4/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SLIPS, TRIPS & FALLS, WHIP CHECKS ON HOSES.
	7:15 - 15:00	7.75	MAINT	44	A	P		CSG PRESS 1,900 PSI DROPPED 1.00 PSI OVER NIGHT, RIH TAG CMT @ 5,400', RU POWER SWIVEL, DRLG CMT FROM 5,400' TO 5,553' CMT SOFT, TALKED TO ENGINEER DECIDED TO WAIT ON CMT ANOTHER 24 HRS, SWI, SDFN.
11/5/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SLIPS, TRIPS & FALLS, MOVING PARTS.
	7:15 - 17:00	9.75	MAINT	44	A	P		CSG PRESS 0 PSI, DRLG CMT FROM 5,553' TO 5,620', PRESS TEST PERFS @ 5,590'-5,600' FOR 10 MIN @ 1,500 PSI HELD OKAY, DRLG CMT FROM 5,620' TO 5,878', PRESS TEST PERFS @ 5,846'-5,850' FOR 10 MIN @ 1,500 PSI HELD OKAY, DRLG FROM 5,878' TO 5,910', PRESS TEST PERFS @ 5,894'-5,900' FOR 10 MIN @ 1,500 PSI HELD OKAY, DRILL CBP @ 5,920', RIH TAG FILL @ 8,709' L/D 1 JT, BTM PERF @ 8,762' TALKED TO ENGINEER NO C/O TO PBTD, SWI, SDFWE.
11/8/2010	7:00 - 7:15	0.25	MAINT	48		P		HSM, SLIPS, TRIPS & FALLS, PINCH POINTS.
	7:15 - 16:00	8.75	MAINT	31		P		CSG PRESS 600 PSI BLEED WELL DOWN & KILL WELL W/ 10 BBLs DOWN TBG PLUGGED, POOH "WET" L/D 29 JTS OF TBG, REMOVE BIT P/U NOTCHED COLLAR RIH & LAND TBG @ 7,772.03' W/ 247 JTS J-55 2 3/8" TBG, RD FLOOR & TBG EQUIP, ND BOPS, NU WH, RD TO ROAD RIG TO NBU 464, SWI CALLED CDC TALKED TO BECKY, SDFN.
KB= 14' 4 1/16" HANGER= .83" 247 JTS 2 3/8" J-55 TBG= 7,756.89' 1.875" NOTCHED COLLAR= 1.05' EOT @ 7,772.03'								
WATER TO RECOVER 30 BBLs								